

Globalization or Imperialism?

by

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In a general sense, the term “globalization” is a politically motivated concept of ideological rhetoric centered on the notion of the evolution of a harmonious and integrated world order to mitigate the tension and conflict that historically has disrupted the international political economy. This article examines various meanings of “globalization,” compares and contrasts three dominant theories that have shaped thinking over the past century, and argues for a return to imperialism as a theoretical framework for understanding the impact of global capitalism on the contemporary world.

The concept of globalization may have roots in earlier efforts to characterize the world economy as potentially orderly and harmoniously integrated. Although it is rarely conceptualized in historical theoretical debates, “globalization” is a way of describing a world that is reminiscent of the thought of such writers as Karl Kautsky, who argued that capitalism would eventually transcend the problems created long ago by the imperialist nations. Kautsky envisaged capital as being transformed into a single world entity, and he believed that an alliance of international finance capital would bring about a peaceful resolution of the conflict generated by the rivalry of national finance capitals. Joseph Schumpeter felt that the world of imperialism a century ago was essentially precapitalist and would eventually disappear in a rational and progressive capitalist era (see Chilcote, 2000b: 198–203). In fact, the idea of globalization is consistent with the way in which the diffusionist literature has characterized the interdependent world order of nations, which is based on the assumption that the spread of capitalism and technology outward from the developed capitalist part of the world would allow less developed regions to advance to the same level. The idea of globalization also implies that accumulation of capital, trade, and investment are no longer confined to the nation-state and thus enhances the idea that capital flows have created a new world order with its own institutions and network of power relationships.

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A critical assessment of the usefulness of the concept might focus on the following questions: (1) Does the present stage of capitalism represent a new epoch that we can justifiably call “globalization”? (2) Does “globalization” adequately express the fact that capitalism has spread to nearly every geographical region of the world and subsumed local and regional economies under its influence? (3) Is globalization the consequence of a linear and inevitable process toward some better society? (4) Does globalization imply a new era of harmony and peacefulness in the world today? (5) Does globalization suggest a new era of postcapitalism?

Globalization seems to be everywhere, but among left intellectuals there has been debate about its importance. W. I. Robinson (1996) has linked it to hegemony and U.S. intervention, and discussion in popular and progressive periodicals such as *Z Magazine* and *Monthly Review* has distinguished those who consider it relevant to a critical understanding of the world today from those who reject it as useless and misleading. Samir Amin has argued that globalization is an ideological discourse used to legitimize the strategies of imperialist capital (quoted in Chilcote, 2000c: 157). Whereas in ancient times globalization provided the opportunity for backward regions to catch up with advanced ones, today it implies the expansion of capitalism with the aim of increasing inequality. Amin sees today’s globalization as vulnerable to popular struggle against monopolies and imperialism. Prabhat Patnaik (quoted in Chilcote, 2000c: 169–179) sees globalization as divisive of nations and regions. Finally, James Petras (quoted in Chilcote, 2000c: 182–213) argues that globalization theory serves as an ideological rationalization for class inequalities and obscures present world reality.

Theories purporting to help us understand the disparities in the world order have been proposed since ancient times, but since the nineteenth century three theories have been prominent. The first, imperialism, dates to Roman expansion and the Latin word *imperium*, implying command and supreme authority. During the nineteenth century it was associated with the Napoleonic empire. In the 1870s the idea of imperialism was used to characterize expanding British colonialism, and by the end of the century it was commonly incorporated into descriptions of the dominance of one nation over another. Three periods stand out in the history of imperialism: 1400–1600, European extraction of raw materials such as gold and silver in outlying areas; 1650–1770, the slave trade and the search for commodities for the benefit of European powers; and 1770–1870, the search for markets in Africa and Asia after England lost most of its American colonies. Thereafter these traditional forms of imperialism were supplanted by the new imperialism characterized by European and U.S. expansionism.

Although Marx did not speak of imperialism, he and Engels in the *Communist Manifesto* came close to the concept in their reference to the expanding international market: “It must nestle everywhere, settle everywhere, establish connections everywhere” (Marx and Engels, 1958: 37). Lenin, influenced by the English liberal J. A. Hobson, shared with Rudolf Hilferding and Nicolai Bukharin what has been characterized as a classical Marxist understanding of imperialism with emphasis on the merging of industrial and bank capital in finance capital. Hobson focused on domestic underconsumption, Hilferding on finance capital, and Bukharin on monopolies of banks and corporations, while Lenin delineated a theory of imperialism in which monopoly was the highest stage of capitalism. Imperialism was assimilated into the denunciation of capitalist domination of backward areas by the advanced nations.

After World War II, many colonies in Africa and Asia became independent through revolution or the collapse of empire. Social scientists, especially political economists, elaborated theories of development based on the capitalist experiences of Europe and the United States. Intellectuals in the newly emerging nations began to search for a new theory to explain their backwardness. Understanding imperialism as a manifestation of an advanced phase of capitalism was helpful, but they also attempted to examine the impact of imperialism upon their internal national situation and, in particular, upon social class distinctions and struggle (see Chilcote, 2000b). Paul Baran focused on economic surplus and backwardness, André Gunder Frank on the capitalist development of underdevelopment, Theotônio dos Santos on the new dependency, Ruy Mauro Marini on subimperialism, and Fernando Henrique Cardoso on associated dependent capitalism. These theories were often labeled Marxist even though their proponents rarely cited the early ideas of Marx and Lenin. In general they supplanted the old theories of imperialism and became very popular among intellectuals outside Europe and the United States, especially in Latin America. Many of the dependency theorists assumed revolutionary and socialist outcomes based on the promise and example of the Cuban Revolution, while others envisaged a reformist path and the development of the capitalist means of production.

There were similarities between the theories of dependency and imperialism, however. Dos Santos elaborated a historical scheme somewhat comparable to that for imperialism: colonial dependency, when trade monopolies were established over the land, mines, and labor of colonial societies; the financial industrial dependency that accompanied the imperialism at the end of the nineteenth century and allowed the domination of big capital in the hegemonic centers and its expansion abroad; and a new type of dependency that appeared after World War II, when capital investment by multinational

corporations and industry turned to the internal markets of underdeveloped countries. Structural dichotomies—political (metropole and satellite), geographical (core and periphery), and economic (development and underdevelopment)—appeared within both imperialist and dependency theories. Finally, both types of theory emphasized the international implications of unequal or uneven development. Marx observed discrepancies in the developmental process, Lenin found evidence of capitalism alongside feudalism in Russia, and Amin envisaged a world of developed and underdeveloped societies, some capitalist and others socialist but all integrated into a commercial and financial capitalist network on a world scale.

Just as the old notion of imperialism faded with attention to developmental theory during the 1960s and 1970s, the idealized conception of globalization appeared in the 1980s and 1990s as an idea that obscured the earlier theory and has prevailed until the present. Yet in reality the diffusionist assumptions of capitalist development, manifested since World War II, have been incorporated into the presumed new theory of globalization. Amin has argued that this theory is fundamentally ideological and can only be considered as imperialist globalization. Petras condemns globalization as “globaloney” and describes the arguments of the globalist theorists as vacuous, tendentious, and tautological. A comparison of the three theories (see Table 1) reveals important differences. Since the nineteenth century, the theory of imperialism has generally focused on the pervasive impact of global capitalism. This attention to capitalism mitigates the tendency to overlook analysis of the underlying economic system that dominates the world today. The idea of globalization might perhaps be useful if it were carefully defined in the context of capitalism and its evolution. Globalization can only be understood as a manifestation of imperialism and the devastating capitalist order. Likewise, the nebulous and elusive concept of development might be employed in a comparison of capitalism and socialism. For instance, the limitations of political development could be examined in light of the strengths and weaknesses of both formal representational and informal participatory forms of democracy. Economic development is usually associated with either dominant capital through the capitalist market or state planning through the socialist market. Social development assumes that some basic needs of people are taken care of through a welfare system under capitalism or through policies ensuring that the basic needs of all people are met under socialism. Cultural development probably has something to do with preserving traditions and values in the face of capitalist penetration or nurturing them through some new awareness under socialism. The point of departure in all this, as Marx reminds us in *Capital*, is that the world today is shaped by a capitalism that influences all of us and perpetuates disparity, inequality, and frustration.

TABLE 1
Three Dominant Theories Compared

<i>Imperialism</i>	<i>Dependency</i>	<i>Globalization</i>
Imperial states perpetuate domination and exploitation	Less developed periphery depends on advanced capitalist core	Interdependence ensures shared benefits and equal exchanges among all nations
Multinationals and banks rule over the capitalist market	State association with domestic and foreign capital leads to underdevelopment	Diffusion of capital and technology ensures growth and development everywhere
International capital flows generate regional, national, and class inequalities	International capital flows lead to internal structural differentiation	International capital flows lead to more balanced and equal distribution of profits
Unidirectional capital flow results in concentration of investment, income, and profit	State control of investment, income, and profit offers possibility for transcending dependency	Interdependent capital flows ideally result in distribution of income and profit

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